TC Abstract Support for LAC SE4ALL Country Action Plans RG-X1209

I. Basic Information for TC

Country/Region:	Regional		
TC Name:	Support for Sustainable Energy for All (SE4ALL) Country Action Plans in		
	LAC		
TC Number:	RG-X1209		
Team Leader/Members:	Arnaldo Vieira de Carvalho, Team Leader; Chris Sewell (INE/ENE); Liliana		
	Lopez (INE/ENE); Javier Bedoya (LEG); and Daniel Hincapie (ORP).		
Date of TC Abstract authorization:	February 27 th , 2014		
Beneficiary:	Regional - All borrowing member countries		
Executing Agency and contact:	IDB: INE/ENE (Arnaldo Vieira de Carvalho)		
Donors providing funding:	Novozymes		
Funding Requested:	US \$ 200,000 ¹		
Local counterpart funding ² , if any:	US \$ 50,000		
Disbursement period:	36 months		
Required start date:	March 1, 2014		
Types of consultants:	Firms and/or individual consultants		
Prepared by Unit:	INE/ENE		
Disbursement Responsibility:	INE/ENE		
Included in Country Strategy (y/n):	N		
TC included in CPD (y/n):	Ν		
GCI-9 Sector Priority:	It will contribute to GCI-9 Sector Priorities (i) Social policy for equity and		
	productivity; (ii) Infrastructure for competitiveness and social welfare;		
	and (iii) Protect the environment, respond to climate change, promote		
	renewable energy, and ensure food security		

II. Objectives and Justification

- 2.1 The objective of this TC is to promote the SE4ALL initiative in the LAC region and mobilize the activities and resources necessary to support country level action plans that advance each country toward the three target goals of SE4ALL, specifically in relation to the development and deployment of sustainable bioenergy.
- 2.2 In the fall of 2011, the Bank began supporting its own initiative Sustainable Energy for All under a TC with the same name (RG-T1881), which was fully disbursed and replaced by a new TC in July of 2013. This is a direct result of a <u>commitment</u> by the IDB, through President Moreno at Rio+20, to provide US \$5 Billion over 5 years (2012-2017) to the three pillars of the initiative, and in this vain the Energy Division engaged 17 countries specifically for SE4ALL activities. Additionally, in April 2013, President Moreno accepted an appointment to the SE4ALL Advisory board along with approximately 35 world leaders. As this effort has increased exponentially in size over the past year, so too has the importance of energy in international development conversations.
- 2.3 On the occasion of the Inter-American Development Bank's (IDB) non-regional meeting hosted in Copenhagen in January 2014, IDB and Novozymes signed a three year memorandum of understanding to create a coalition of

¹ These funds will be administered by the IDB through a non-reimbursable project-specific grant (PSG). Novozymes will contribute US\$ 200,000. This PSG will be administered by the IDB pursuant to document SC-114. In accordance with that document, the commitment of Novozymes for the PSG will be established through a separate Administrative Agreement.

² Note: as a regional TC, in-kind resources come from participating countries (19) and partners (multiple).

stakeholders with a focus towards developing sustainable advanced bioenergy solutions in Latin America. The partnership will moreover promote joint identification of specific countries and opportunities that lead to the development of bioenergy projects and solutions in areas such as clean cooking, waste to energy and advance biofuels for transportation. Additionally, the partnership will explore solutions for project developers in LAC.

2.4 This TC will contribute to GCI-9 Sector Priorities (i) Social policy for equity and productivity; (ii) Infrastructure for competitiveness and social welfare and (iii) Protect the environment, respond to climate change, promote renewable energy, and ensure food security.

III. Description of activities/components and budget

3.1 The SE4ALL Initiative has an objective to identify the resources and actions necessary to advance sustainable energy at both the country and regional level. Essential to this will be country and regional energy sector planning. Using the results from previous energy sector studies, planning events, and HIO activities, this TC will support countries in the activities, consultancies, travel, and event planning necessary to create SE4ALL Action Plans in their various stages such as design, drafting, consensus building exercises, and even approval. The ultimate goal of the TC should be the deployment of projects on the ground within the LAC region.

Activity	Output	Results			
Country specific	Up to 8 or more Draft	Building on existing efforts already undertaken where relevant and			
Action Plans	SE4ALL Action Plans	appropriate, country SE4ALL Action Plans, through a collaborative			
		process involving public participation, will provide a suggested route			
		forward for countries to reach the three goals of SE4ALL. It will			
		suggest policy frameworks, priority action items, investment areas,			
		and other advice for SE4ALL in that country, and that could form the			
		basis for sharing learnings with other countries in the LAC region.			
Country specific	Up to 8 or more	An essential outcome of this TC will be in the identification of new			
plans identifying	investment plans	projects and potential pilot projects throughout the region.			
Investment		Investment Plans will identify opportunities in operations and			
Opportunities		activities to be supported by the IDB and/or other SE4ALL partners in			
		order to reach the 2030 goals of the initiative.			
Country specific	Up to 8 or more Energy	Collaboratively build consensus on action plans by identifying goals			
Energy Dialogue	Dialogues (1/ LAC	and priority actions (country specific) based on Rapid Assessment			
	SE4ALL country)	Gap Analysis and follow up in-country dialogue. Directly engage			
		energy sector decision makers for SE4ALL initiative.			
Regional Action	1 Regional Action Plan	To coordinate the resources and efforts of SE4ALL partners in the			
Plan	for Development in LAC	region activities such as clean cooking, waste to energy, aviation,			
		advanced biofuels, etc.			
Regional Energy	2 annual regional	Annual Regional SE4ALL Conferences will create yearly cycle of			
Dialogues	SE4ALL events (1/yr)	achieving, monitoring, and reporting results of initiative on a public			
		and regional stage. Also will disseminate knowledge products from			
		the initiative.			
Monitoring 1 evaluation (1/yr)		One report prepared in a format agreed by IDB and Novozymes will			
		review performance and prepare for donor reports at end of year,			
		focusing on the deployment and use of funds.			

3.3 To accomplish the specific components, the total amount of the TC contribution will be US \$200,000. Indicative Budget (US Dollars)

Component/ Activity	Description	IDB	Counterpart	Total
		Funding	Funding*	Funding
Country specific Action Plans	Up to 8 or more Draft SE4ALL Action Plans	\$30,000	\$10,000	\$40,000
Country specific plans identifying Investment Opportunities	Up to 8 or more investment plans	\$60,000	\$10,000	\$70,000
Country specific Energy	Up to 8 or more Energy Dialogues (1/	\$60,000	\$20,000	\$80,000
Dialogue	LAC SE4ALL country)			
Regional Action Plan	1 Regional Action Plan for Development in LAC	\$20,000	\$5,000	\$30,000
Regional Energy Dialogues	2 annual regional SE4ALL events (1/yr)	\$20,000	\$5,000	\$30,000
Administration Fee	5% of Total Contribution	\$10,000		
Total		\$200,000	\$ 50,000	\$250,000

*Note: as a regional TC, in-kind resources come from participating countries (19) and partners (multiple).

IV. Executing agency and execution structure

4.1 The TC will be supervised by the team leader in IDB Headquarters, and supported by ENE Specialist in the COFs in countries that are active participants in SE4ALL. The disbursement and execution period is 36 months from the time of approval of the project. The Bank will hire consulting services (individuals and firms) in accordance with current policies and procedures for institutional procurement. The project team will be responsible for the preparation and submission to the donor of the project reporting in compliance with the stipulation of the Administration Agreement

V. Major issues

5.1 The major risks for this project are (i) that the initiative loses momentum if countries do not see and gain value from the activities related to the initiative, (ii) the regional partnership cannot address the barriers to scaling up access to and the deployment of sustainable bioenergy, (iii) the private sector is not sufficiently active in the provision of sustainable bioenergy services and products. The adoption of RE is a top priorities of the central governments and have been sufficiently addressed and their importance underscored in the countries energy policy. This TC helps to mitigate this risk by promoting work of all SE4ALL stakeholders in the region and providing promotional avenues for their own work and successess.

VI. Exceptions to Bank policy

6.1 No exceptions to Bank policy are expected.

VII. Environmental and Social Strategy

7.1 The project is expected to receive a category C classification. No environmental assessment studies or consultations are required for Category "C" operations.